Draft - Multi-Payer workgroup proposal

The IHC Multi-Payer workgroup, under the direction of the IHC, and through collaboration across payers and providers, has worked on a plan to transform payment methodology from volume to performance based value. The Multi-Payer Workgroup backs a phased-in system of payment transformation that supports primary care practices in maintaining an infrastructure as a Patient Centered Medical Home through transition to a payment system based on outcomes

The Scope of the Multi-payer workgroup included:

- 1. Transition to incentivizing performance based value as opposed to volume by transforming payment mechanisms across payers.
- 2. Address parameters for the payers' patient attribution, population risk/stratification methodology upon which the payers will build their payment amounts.
- 3. Determine appropriate payment methodologies using a phased in approach:

The following items were out of scope for IHC Multi-Payer workgroup, and therefore they were not addressed:

- 1. Startup costs for transformation and accreditation which is funded through the IHC grant
- 2. Negotiating specific contract reimbursement terms. Each payer will do this directly through their regular contract negotiation process

Conclusions and proposal:

- 1. Each payer supports the pilot practices by the following concepts and data sets:
 - a. Giving each practice a list of the all patients the payers feel would be assigned to the pilot practice.
 - b. Providing a patient risk score of each patient based on the payers risk stratification process. The payer will give the practice details on how this risk score was calculated.
 - c. Choosing from the list of IHC Quality workgroup performance measures for any quality metrics used in value based payments.
 - d. Proposing a specific payment methodology upon which the payers will reimburse practices who join the pilot.
 - e. Committing to have these deliverables available to IHC and potential pilot practices as they recruit practices in the summer of 2015. Practices that agree to participate need to fully understand the compensation from payers in order to evaluate whether sufficient resources are available to help them transition.

The overview of each payer's proposal is attached.